

STEERING, LEGISLATIVE & GOVERNMENTAL COMMITTEE

February 7, 2011

5:30 p.m.

Courthouse

MINUTES:

MEMBERS PRESENT:

Commissioner Jack Black
Commissioner Gary Farley
Commissioner Trey Gooch
Commissioner Jeff Jordan
Commissioner Steve Sandlin
Commissioner Adam Coggin, C

OTHERS PRESENT:

Ernest Burgess Lisa Nolen
Jeremy Cothorn Will Jordan
Laura Bohling Lisa Crowell
Becky Shelton

Chairman Coggin presided and called the meeting to order at 5:30 p.m. with six members being present at that time.

MINUTES:

"Commissioner Farley moved, seconded by Commissioner Sandlin, to approve the minutes of the last meeting as mailed. This motion passed unanimously by acclamation."

ANNOUNCE VACANCY ON BOARD OF ZONING APPEALS TO FILL UNEXPIRED TERM OF TONY WEBB:

Chairman Coggin advised the unexpired term of Tony Webb on the Board of Zoning Appeals was being announced due to Mr. Webb's death. Said term expires October, 2013.

ANTI-LITTER RESOLUTION:

Chairman Coggin next advised the Anti-Litter Resolution had been posted on the County website for public comment. The Committee discussed the fact that there are some State laws that cover some of the issues under the Anti-Litter Resolution but not all are covered. Jeremy Cothorn of the County Attorney's Office advised littering is a criminal offense under State law but the definition in the Resolution is different and treats it as a civil penalty and gives the Codes Department more authority. Chairman Coggin advised he thought the County needed something from his recent viewing of the County but this may not be it. Commissioner Sandlin advised he was not happy with Section 21 of the Resolution as it gives the newspapers an out and the newspaper system for unwanted papers is not working. Commissioner J. Jordan advised there is a lot of government contained in the document. Following discussion,

"Commissioner Sandlin moved, seconded by Commissioner J. Jordan, to not approve the Anti-Litter Resolution. This motion passed by acclamation with Commissioner Gooch voting "no"."

ARCHIVES AND RECORD MANAGEMENT FEE:

Laura Bohling, Circuit Court Clerk, addressed the Committee providing a proposed Resolution to implement an archives and record management fee of \$5 per case filed specifically designated for maintenance of records. Ms. Bohling advised minute books have not been archived or scanned since 1994 and there are approximately 350 minute books to be done. Following discussion,

"Commissioner Sandlin moved, seconded by Commissioner Black, to approve the Resolution as presented to implement an archives and record management fee and forward the same to the Budget Committee for information. This motion passed unanimously by acclamation."

CLARIFICATION OF DUTIES OF CHAIRMAN:

The question previously arose as to the exact duties of the Chairman of a Committee as to reporting the action of the Committee to the Commission and whether the Chairman has to make a motion from the Committee or whether it can be a different report. Mayor Burgess read Rule 7.E. from the Commissioner Rules and Regulations and suggested the following sentence be added: "It shall be the duty of the Chairman or a member he so designates to make a motion that complies with the findings of the Committee." The Committee discussed whether the Chairman has to make a motion from the Committee if the Chairman intends to vote no on the same. It was determined a designee could make the motion. The Chairman will make a report of the action with a designee to make the motion and it was thought the added sentence would accomplish this. Following discussion,

"Commissioner Sandlin moved, seconded by Commissioner Gooch, to approve the suggested wording addition to Rule 7.E. of the Commissioner Rules and Regulations of "It shall be the duty of the Chairman or a member he so designates to make a motion that complies with the findings of the Committee.". This motion passed unanimously by acclamation."

BILL REQUEST TO RESCIND THE OEM EXEMPTION OF WHEEL TAX AND LICENSE FEES FOR RUTHERFORD COUNTY:

A proposed Resolution requesting the Legislature to exempt Rutherford County from prior legislation and reinstate the privilege tax for OEM headquarters company vehicles was presented. Mayor Burgess advised the Committee needed to take into consideration Nissan is a good corporate citizen and is in the process of increasing the number of jobs at its local facility. The State has allowed Nissan to issue their own tags like a Clerk's Office and the State provides the tags at no charge. At the recent meeting with the legislators it was stated if the Commission passes this Resolution by 2/3 vote it will be presented. Commissioner Gooch advised Rutherford County has likewise done a lot for Nissan including tax abatements. Following discussion,

"Commissioner Farley moved, seconded by Commissioner Black, to table the Resolution to rescind the OEM exemption of wheel tax and license fees. This motion passed unanimously by acclamation."

BILL REQUEST TO REMOVE FROM THE COUNTY POWERS RELIEF ACT THE INABILITY OF THE COUNTY TO ENACT A REALTY TRANSFER TAX:

Commissioner Sandlin advised this matter came from the Committee that studied new revenue sources several years ago. However, the County Powers Relief Act prohibits a real estate transfer tax. Rutherford County elected to not go under the County Powers Relief Act and has a Development Tax. Jeremy Cothorn read T.C.A. 67-4-2913 and advised this provides blanket prohibition of a real estate transfer tax. Mayor Burgess advised the statute in question is a public act and the County Powers Act does apply to Rutherford County and prohibits the enactment of a real estate transfer tax. The Committee was advised the State has a real estate transfer tax but no counties have one. It is estimated the State real estate transfer tax generates approximately \$8,000,000 per year in Rutherford County alone. When this matter came up before, CTAS, builder's lobbies, etc. got involved resulting in the current prohibition as a compromise for the County Powers Act. Mr. Cothorn advised the current Resolution requests repeal of the prohibition or alternatively exemption of Rutherford County. Mayor Burgess advised if this is passed by the Legislature, the County would have to decide if it wanted to drop the Development Tax as well as decide what amount the real estate transfer tax should be. The Committee discussed deleting the request to repeal

and only asking for exemption in an effort to get the request passed. Commissioner Sandlin advised the County continues to build schools. The current Development Tax is only on new houses and it does not take into consideration purchase of existing homes. A real estate transfer tax would not pick on new home developments. Following discussion,

"Commissioner Sandlin moved, seconded by Commissioner Farley, to approve the Resolution regarding a realty transfer tax as to exempting Rutherford County but delete the request for repeal in Sections 1,2 and 4. This motion passed by acclamation with Chairman Coggin voting "no"."

Commissioner Sandlin advised if the request is successful in the Legislature, the County would want to talk to builders, developers, constituents, etc. to study the matter.

AUDIT COMMITTEE:

Finance Director Lisa Nolen addressed the Committee advising the Comptroller's Office is encouraging the establishment of an Audit Committee and presented a proposal for the Committee as well as proposed guidelines. Ms. Nolen advised this would be external from management and when there are no problems it is a good time to establish such a Committee. Ms. Nolen advised in the past she has felt the Budget Committee acted as the Audit Committee but the Comptroller feels differently. Ms. Nolen suggested the Committee be made up of 2 Commissioners, 1 Board of Education member, 1 Road Board member and 1 citizen at large with one of the members being a CPA. Commissioner Farley questioned if more at large citizens were needed. Mayor Burgess advised this was for the information, study and recommendation by the Committee. Ms. Nolen recommended establishing the Committee and thought it should be a paid Committee. Additional information is needed such as the length of terms. The Committee was advised the Commission would confirm the member's appointment. This matter will be presented to the Budget Committee and Ms. Nolen advised it would be good to have the same in place by September before the next audit is presented.

There appearing to be no further business to come before the Committee, Chairman Coggin declared the meeting adjourned at 7:13 p.m.

ADAM COGGIN, Chairman